Labour Market

NOTES ■ April 2014

Alberta employment growth pauses in March

Alberta

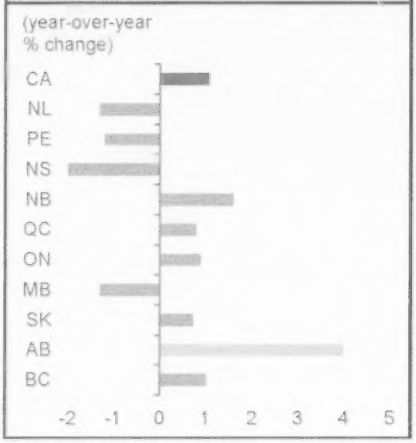
- Alberta employment dips slightly. Alberta lost 900 net jobs in March, the first month of job losses in 2014. The losses were concentrated in the private sector (-3,500) and self-employment (-700). The public sector gained 3,200 jobs.
- Full-time employment shrinks. Full-time employment dropped by 1,500 jobs, while part-time employment increased by 500.
- Year-over-year job growth was strong. Since March 2013, Alberta has gained 86,600 jobs, recording the highest growth rate among the provinces at 4.0%, and accounting for over 46% of all jobs created in Canada over this period.
- Unemployment rate rises. Alberta's unemployment rate rose by 0.6 percentage points to 4.9% in March, after a 0.3 percentage point decline in February. The increase was mainly the result of 13,500 people joining the labour force.
- Goods sector declines; service jobs jump. Goods-producing industries lost 8,800 jobs in March, while service sector positions increased by 7,900. In the goods sector, construction jobs loses (-15,000) outpaced gains in the manufacturing (9,900) industry. In the service industries, professional, scientific and technical services (10,600) led the gains, while information, culture and recreation (-6,200) lost jobs.
- Weekly earnings growth fell. Average weekly earnings dipped to $1,134 in January on a monthly basis, but still posted a strong gain of 5.1% over the same month last year.

Canada

- Canada posts job gain. Employment increased by 42,900 jobs in March, following a disappointing loss of 7,000 jobs in February. The largest gains in employment occurred in health care and social assistance (23,600), and finance, business building and other support services (15,400). The primary driver of Canada's employment grow was part-time jobs (30,100); however, full-time jobs (12,800) also gained ground. Over the past 12 months, Canada has added 190,000 jobs, amounting to a growth rate of 1.1%.
- Unemployment rate dips. The Canadian unemployment rate dropped by 0.1 percentage points to 6.9% in March, and by 0.4 percentage points from the same month last year.
- Earnings relatively unchanged. Canadian average weekly earnings were $925 in January, a slight decrease over December and 3.0% higher than the same month last year.

For definitions of the data indicators discussed in this publication, please see the second page of August 2012's Labour Market Notes

Employment Growth by Province, Mar. 2014 vs. Mar. 2013



Source: Statistics Canada

Alberta Labour Market Indicators

Indicator	Latest
Employment	2,261,200
month-over-month change	-900
year-over-year % change	4.0%
Alberta Unemployment Rate (UR)	4.9%
Edmonton UR**	4.8%
Calgary UR**	5.0%
Participation Rate	73.3%
Average Weekly Earnings (AWE)	$1,134.36
year-over-year % change	5.1%
Average Hourly Wage	$28.03
year-over-year % change	0.6%
Job Vacancy Rate**	2.3%

Source: Statistics Canada

* All data is from the Labour Force Survey for March except AWE, which is from the January Survey of Employment, Payrolls and Hours (SEPH), and the job vacancy rate is for December 2013.

** This indicator is calculated as a three-month moving average and is not seasonally adjusted.

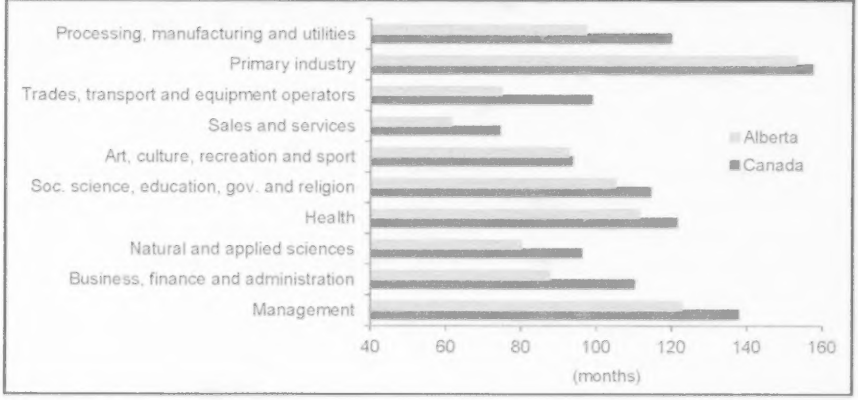
Job tenure in Alberta

How long do Albertans, on average, stay with their current employer? The monthly labour force survey provides a rich data set on job tenure in Canada, highlighting differences across provinces and occupations. Job tenure is an indicator of labour mobility, and is defined as the average number of consecutive months a person has worked for their current or most recent employer. Job tenure can be influenced by a number of factors, including demand for short-term (including seasonal) employment, demographic factors (older workers typically have longer tenure), the composition of the workforce by industry and occupation, and labour market opportunities. This Labour InSight discusses the role of occupational composition and age on Alberta's job tenure.

Lower job tenure observed across all major occupations

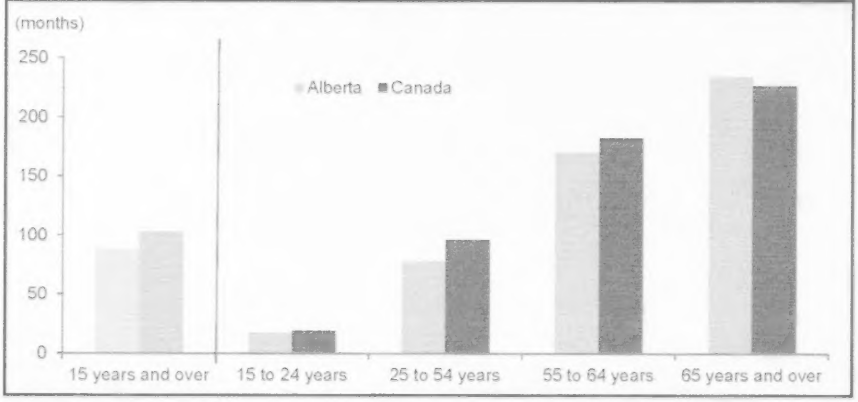
Alberta's average job tenure has historically been below the national average, a sign of a highly mobile workforce. In 2013, the average job tenure in Alberta was 88.1 months for all occupations, which is below the national average of 103.4 months, and the lowest of any province.

Chart 1: Average job tenure by national occupational classification for 2013



Source: Statistics Canada

Chart 2: Average job tenure by age group for 2013



Source: Statistics Canada

This difference is not confined to specific occupations. Instead, Alberta's relatively low average job tenure is spread across the major occupational groups (Chart 1). The gap between Alberta and the national average does, however, vary significantly: from 0.9 months in art, culture, recreation and sport to 24 months in trades, transport and equipment operators.

A younger workforce pulls down average job tenure

Alberta has a younger workforce on average compared with Canada, largely as a result of inflows of interprovincial and international migrants who have moved to Alberta to pursue job opportunities. A young workforce tends to be more mobile, pulling the average tenure lower. Albertans aged 55 and over have an average job tenure that is 9.6 times higher than those aged 15-24, and 1.4 times higher than those aged 25-54 (Chart 2). While age accounts for some of Alberta's lower job tenure, it does not fully explain the difference. Alberta's strong job creation since the 2009 recession has also helped lower tenures across age groups.

Job tenure near record levels

While average tenure swings year to year, the trend has been upward in Alberta and nationally. The average job tenure for all occupations has increased 11.6 months or 15.1% since 1987, the first year available, with most of the increase coming in the early 1990s. The increase in Alberta has come primarily from rising job tenures in sales and services, business, finance and administration, and health occupations.

Summary

Alberta's job tenure is the lowest among the provinces, signifying more job mobility. Part of this is due to Alberta's younger workforce, but not all of it. Alberta's growing economy has kept the job opportunities plentiful and likely contributed to more labour force mobility.

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